

# MANY SMALL BUSINESS OWNERS REPORT BEING TIED DOWN WITH ACCOUNTING/BOOKKEEPING RESPONSIBILITIES

*Only 38% Use Accountant Or Bookkeeper – Many Use “Pen And Paper” (26%) Or “Spreadsheets” (26%) To Manage Books  
Optimism Abounds For Small Business Owners Thinking Ahead  
For Next Year*



## Ipsos Reid

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## **MANY SMALL BUSINESS OWNERS REPORT BEING TIED DOWN WITH ACCOUNTING/BOOKKEEPING RESPONSIBILITIES**

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*Optimism Abounds For Small Business Owners Thinking Ahead For Next Year*

**Toronto, ON** – A new small business owners survey conducted by Ipsos Reid on behalf of Intuit Canada reports that small business managers today feel pulled in many directions, and often feel they are spending too much time “finding new customers” (36%), taking care of “day to day operations” (28%) and “managing accounting and/or bookkeeping” (25%) responsibilities.

The fact that accounting and bookkeeping is cited by many small business owners as a major drag on their work-time is probably in large part related to the fact that just 38% use an accountant or bookkeeper. In fact, when it comes to accounting methods, one-quarter of small business owners use “pen and paper or ledgers” (26%) and “spreadsheets” (26%), while smaller proportions use software like “QuickBooks” (15%), or “Simply Accounting” (14%)

A majority of small business owners recognize the important value of accounting software as three-quarters (77%) agree with the statement “accounting/financial planning software gives (them) the confidence to build/manage a successful business” (16% strongly agree).

The survey also explored some important issues surrounding the small business environment in Canada today, specific findings included:



- High optimism about the coming year: 80% are confident about the growth prospects for their business in the next year;
- When asked where they would go to find information about starting and running a business: 38% say “the internet”; 35% “friends and family”; 25% an “accountant or bookkeeper”.
- Most (74%) small businesses market their business via “word of mouth”, however many also use a “website” (29%), “flyers or catalogues” (22%), and “internet marketing” (21%).
- Two-thirds (66%) feel the Federal Government is “not supportive” of their business (29% say not at all supportive).

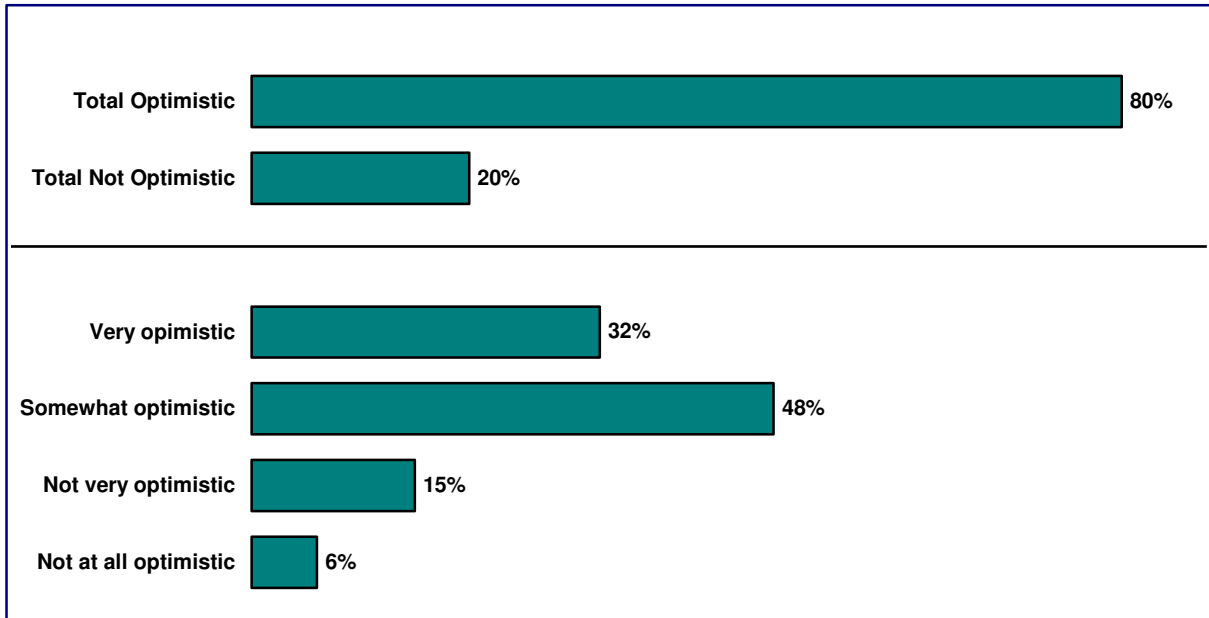
*These are the findings of an Ipsos Reid poll conducted for Intuit and fielded from September 6<sup>th</sup> to September 10<sup>th</sup>, 2006. For the survey, a representative sample of 978 small business owners were interviewed via an internet panel survey. The sample used in this study has been weighted to accurately reflect this population. With a sample of this size, the aggregate results are considered accurate to within  $\pm 3.2$  percentage points, 19 times out of 20, of what they would have been had this entire population been polled. The margin of error will be larger within each sub-grouping of the survey population.*



## *Eight In Ten Are Optimistic About The Growth Prospects For Their Business Next Year ...*

### **Business Growth Optimism**

*How optimistic are you about the growth prospects for your business next year?*



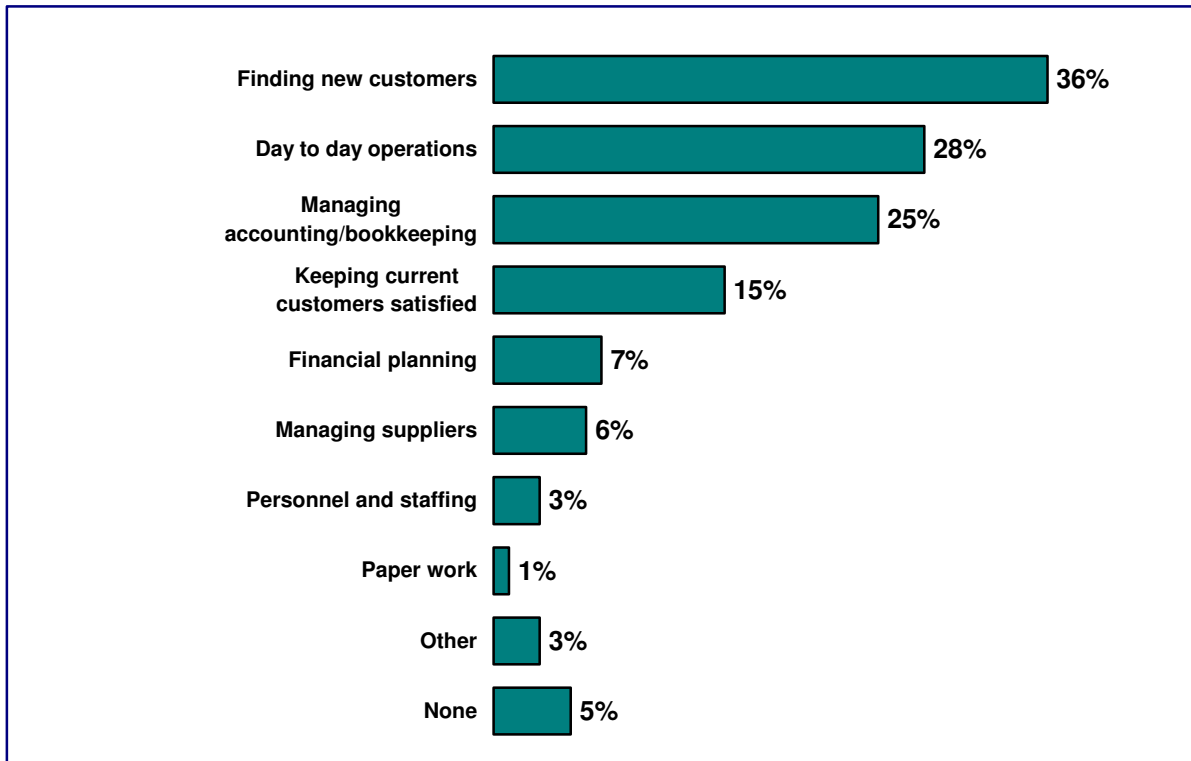
- Optimism runs highest among British Columbian (86%) business-owners, and is lowest in Atlantic Canada (76%).
- Younger business owners age 18-34 are the most optimistic about their businesses growth prospects for the coming year (86% vs. 82% among 35-54 year olds and 72% among those age 55+).



*What Aspects Of Business Are Owners Spending Too Much Time On? “Finding New Customers” (36%), “Day To Day Operations” (28%) And “Bookkeeping” (25%) Top List...*

**Day-To-Day Time Investments**

*Which aspects of your business do you believe you spend too much time on?*



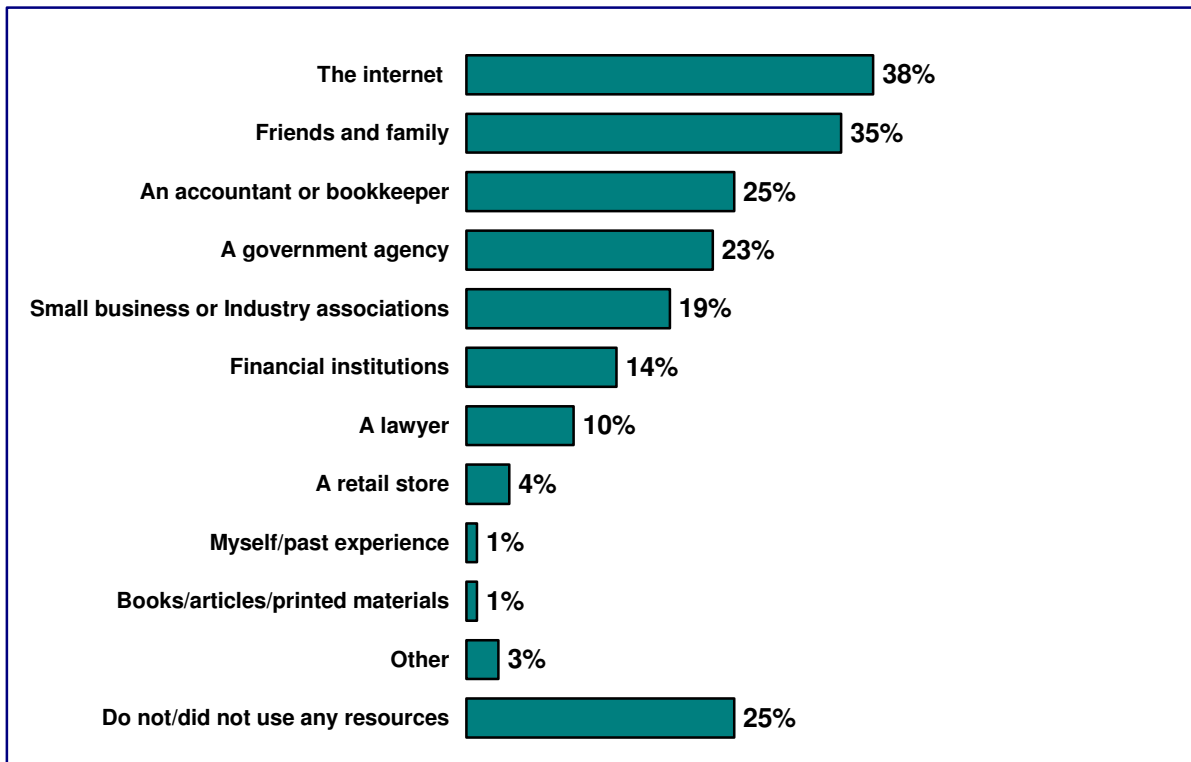
- Those in Quebec (29%) and Atlantic Canada (30%) are the most likely to say they spend too much time on “managing accounting/bookkeeping”, as are those with household incomes of more than \$60,000 annually (30%), and men (30% vs. 20% among women).



## *“Internet” (38%) Is Top Information Source For Small Business Owners...*

### **Day-To-Day Time Investments**

*Which resources do you use/have you used to find information about starting and running your small business?*



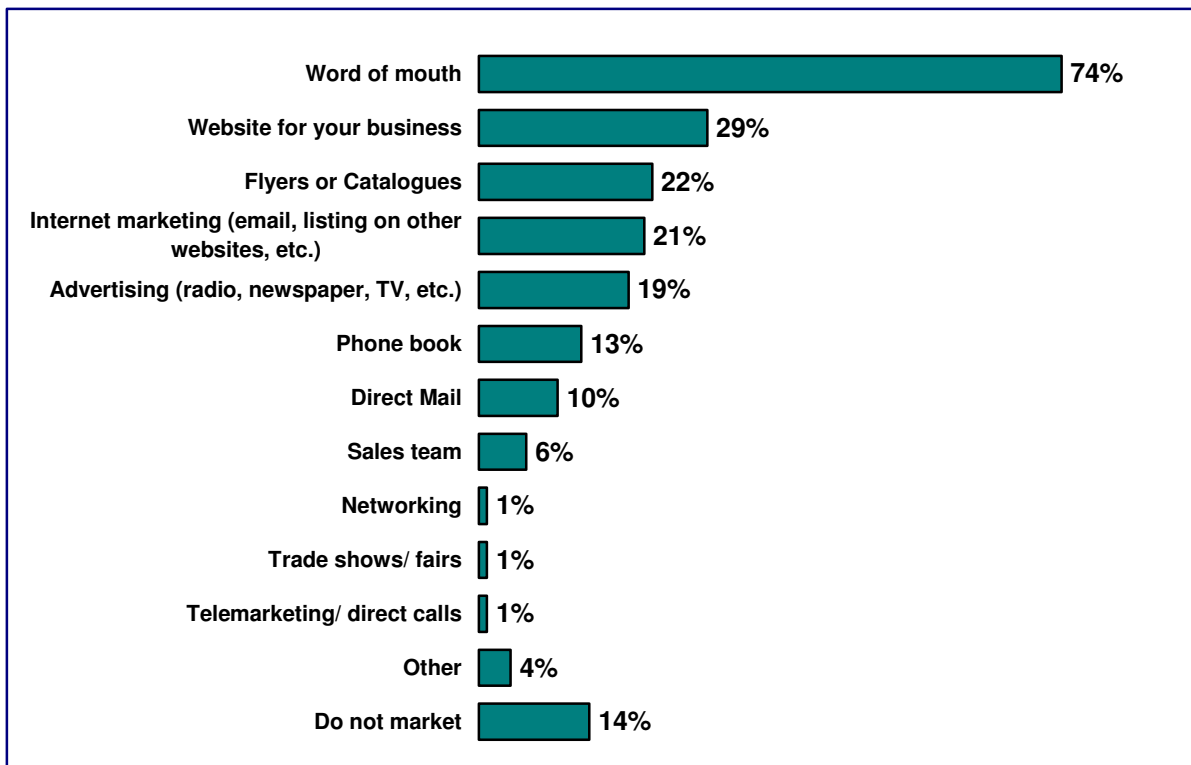
- Men are more likely than women to find their information from the “internet” (43% vs. 33%).



## *Most Small Business Market Through “Word Of Mouth” (74%), But Many Use More Sophisticated Measures...*

### **Marketing Of Products And Services**

*How do you market your products or services?*



- Websites are most popular in British Columbia (34%), and Alberta and Ontario (both at 31%).
- Internet marketing is most popular in Saskatchewan/Manitoba (26%) and Ontario (24%).
- Younger adults age 18-34 are the most likely to have a website (34%), use flyers or catalogues (30%), or use advertisements (27%).



***When It Comes To Accounting Methods, Largest Proportion (38%) Use an Accountant, While One-Quarter Uses Simple Pen And Paper (26%) And Spreadsheets (26%)...***

*What accounting methods have you used in the past year?*

	<b>Total</b>	<b>Male</b>	<b>Female</b>
<b>Accountant or bookkeeper</b>	<b>38%</b>	<b>38%</b>	<b>37%</b>
<b>Pen and paper or ledgers</b>	<b>26%</b>	<b>20%</b>	<b>32%</b>
<b>Spreadsheets</b>	<b>26%</b>	<b>30%</b>	<b>22%</b>
<b>Software, QuickBooks</b>	<b>15%</b>	<b>17%</b>	<b>13%</b>
<b>Software, Simply Accounting</b>	<b>14%</b>	<b>15%</b>	<b>13%</b>
<b>Excel</b>	<b>3%</b>	<b>2%</b>	<b>3%</b>
<b>Quicken</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>
<b>MYOB</b>	<b>1%</b>	<b>1%</b>	<b>1%</b>
<b>Other</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>
<b>None</b>	<b>10%</b>	<b>8%</b>	<b>12%</b>

- Women are more likely than men to use “pen and paper or ledgers” (32% vs. 20%), while men are more likely than women to use “spreadsheets” (30% vs. 22%).





### ***Three-Quarters (77%) Agree That “Accounting/Financial Planning Software Gives Them The Confidence To Build/Manage A Successful Business” ...***

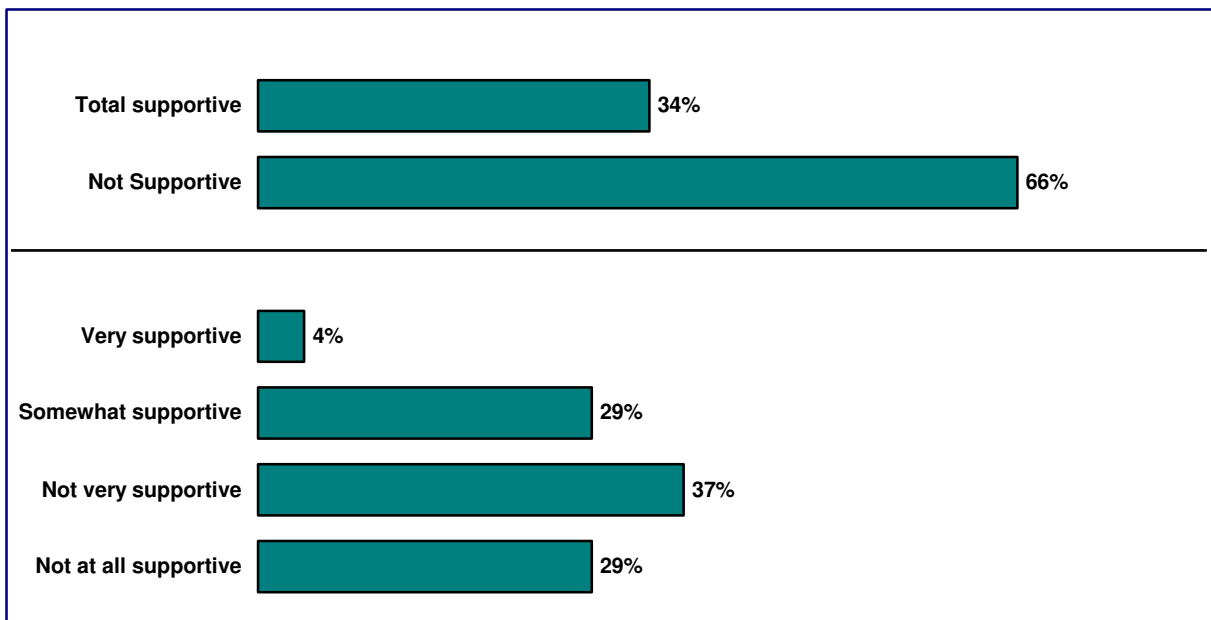
Three-quarters (77%) agree with the statement that “accounting/financial planning software gives (them) the confidence to build/manage a successful business” (16% strongly agree).

One-quarter (23%) disagree with this statement (6% strongly disagree).

- Agreement with this statement is highest in Quebec (81%), Atlantic Canada (80%) and Saskatchewan/Manitoba (79%).

### ***Two-Thirds (66%) Feel Federal Government Is Not Supportive Of Their Business...***

*How supportive would you say the Federal Government is of your business?*



- Those in British Columbia and Alberta (both at 41%) are the most likely to feel the Federal Government is supportive, followed closely by those in Saskatchewan/Manitoba (39%).



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- Those in Quebec (81%) are the most likely to feel the Federal Government is not supportive of their business.

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